

INFORMATION AND INSTRUCTIONS FOR COMPLETING THE MANUFACTURED HOME RECOVERY FUND CLAIM FORM

CLAIM FORM INSTRUCTIONS:

1. Before ordering payment from the Manufactured Home Recovery Fund (MHRF), the Department of Housing and Community Development (HCD) must independently verify that your claim is factually accurate and meets all the prerequisites established by law. It is your responsibility to provide HCD with sufficient information to make a determination on your claim.
2. Attached is a Claim Form, MHRF-4, which has been developed to assist you in providing all required information. Use of the Form will also expedite processing by HCD. The Form does not need be prepared by an attorney, nor is legal representation necessary or required to file a claim.
3. The Claim Form consists of three Parts: A (General Information); B (Collection Efforts); and C (Certification). If your claim is based on a final judgment, the law requires that your claim be filed within two (2) years of receiving your final court judgment. If the claim is not based on a final judgment, the law requires that you file your claim within two (2) years from the termination of the licensee bankruptcy proceeding or two (2) years from the date of sale or within five (5) years from the date of discovery from the date of sale whichever event occurs later. You must provide the information requested in Part A of the Claim Form before HCD will accept your claim for filing for purposes of meeting the statute of limitation requirements listed above.
4. Part B of the Claim Form requests information on your judgment collection efforts. You need not attempt to collect on the judgment before you are eligible to file a claim. But before HCD will process your claim for potential payment, you must make a diligent effort to collect on the judgment. The judgment collection information may be provided now if possible, or may be provided later by supplementing your claim application. REMEMBER: HCD may accept your claim for filing without this information, but we will not process your claim for potential payment until the information requested in Part B is received.
5. Part C of the Claim Form requires you to declare UNDER PENALTY OF PERJURY that the information in the Claim Form is true and correct to the best of your knowledge. This declaration must be completed before HCD will accept your claim for filing. In the event you receive payment from the MHRF, Part C requires that you assign to HCD your rights to collect on your judgment or in bankruptcy court. In the event that you recover some or all of your losses from the MHRF, you will be required to enter into formal, legally-binding assignment of these rights up to the amount you recover from the MHRF.
6. In completing Part A, you will need to attach the following information as applicable:
 - a. Copy of the complaint filed in your civil suit/criminal case/administrative case (Exhibit A).
 - b. Copy of your final judgment, any Statement of Decision, findings and any opinion of the court (Exhibit B).
 - c. Copies of all other pertinent information in the court's file of your case (Exhibit C).
 - d. Copies of all documents relating to your purchase or sale of the manufactured home, e.g., sales contract, bill of sale, purchase order, escrow instructions, (Exhibit D).

- e. Copies of written notice of substantial defects in the manufactured home and at least two (2) itemized written estimates by licensed contractors to repair the substantial defects (Exhibit E).
- f. Statement of underlying facts describing in your own words how the failure to honor warranties, fraud, misrepresentation, and/or conversion occurred, and how your losses were calculated (Exhibit F).
- g. Memorandum of court costs filed with the court (Exhibit G).
- h. Copies of attorney's bills, if any (Exhibit H).
- i. Copy of the bankruptcy documents; e.g., bankruptcy filing; Proof of Claim; Schedule of Creditors; Notice and Hearing of Motion for Relief of Automatic Stay; discharge from bankruptcy (Exhibit I).
- j. Judgment collection information (Exhibit J).

Note: Photocopies of all requested court documents are acceptable if they are clearly legible. Each document being photocopied must bear a stamp (e.g., "endorsed filed") or other evidence indicating that the document has been filed with the court. HCD may require that you provide certified copies of the court documents.

- 7. The statement of underlying facts should include a detailed statement of facts underlying your purchase or sale to assist HCD in determining whether your judgment was based on: (a) failure to honor warranties or guarantees; (b) fraud or misrepresentation related to any financial provision; (c) fraud or willful misrepresentation of the kind and quality of the product sold; (d) conversion; (e) a willful violation of Health and Safety Code, Division 12, Part 2 known as the Mobilehome-Manufactured Housing Act of 1980 and any adopted regulations; (f) a willful violation of Chapter 3, Title 17, beginning with section 1797 of the Civil Code for new manufactured home warranties arising directly out of any transaction which occurs on or after January 1, 1985.
- 8. In completing Part B, you should describe all your efforts to collect on the judgment. You should tell us about any and all searches and inquiries you or your attorney have made to ascertain whether the seller owns any real or personal property or any other assets which could be sold or applied to satisfy the judgment. Your search should include looking for professional licenses and if applicable seeking assistance from the licensing agency. Include in Exhibit I copies of all correspondence and documentation received relating to your judgment collection efforts.
- 9. **ACCEPTANCE FOR FILING:** Upon receipt of a claim, HCD will conduct an initial review to determine whether your claim sufficiently contains the information requested in Parts A and C of the Claim Form. HCD will also review your claim to determine its completeness and acceptability for further processing. You will be notified in writing of our determination, and we will tell you specifically what additional information, if any, is needed to make your claim acceptable for filing.

ACCEPTANCE FOR PROCESSING: Once HCD determines that you have sufficiently provided the information requested in Part B of the Claim Form, you will be notified in writing that your application has been accepted for processing. However, you may be contacted to provide additional details or information regarding your claim.

A copy of your accepted application will also be mailed to the manufactured home seller or purchaser. This is because any payment from the MHRF on your claim becomes a debt owed by the seller or purchaser to the state. Therefore, the seller or purchaser must be allowed to contest your claim.

HCD REVIEW OF APPLICATIONS: Once your application is accepted for processing, it will be forwarded to HCD's Legal Affairs Division (LAD) for review. After initial analysis, if additional information is needed to process your claim, the LAD may contact you.

HCD DECISION: After the initial analysis, HCD will issue a proposed decision on your claim. The decision will be in writing clearly explaining how HCD reached its decision. The decision will be mailed to you and the judgment debtor or bankrupt licensee, seller, or buyer. If you are dissatisfied with the proposed decision, you will have 30 days to request reconsideration and provide supplemental information before the decision becomes final.

If HCD determines that your claim meets all the requirements of Health and Safety Code Section 18070.3, HCD may issue an order to the State Controller directing that payment be made to you from the MHRF.

HOW LONG WILL IT TAKE TO RECEIVE PAYMENT? Your claim will be processed on a first-come first-serve basis with claims for primary residences being given priority over claims submitted for investment purposes. Please be patient and allow HCD time to fully evaluate your claim. Unless you have additional information that HCD should consider, please do not call our office. We will notify you in writing as your claim passes through each step in the process. HCD will make every effort to process claims as soon as possible.

WHO DO I CONTACT FOR ASSISTANCE? If you need further assistance or have further questions, you may contact us at:

California Department of Housing and Community Development
Division of Codes and Standards
Manufactured Home Recovery Fund
P. O. Box 31
Sacramento, CA 95812-0031
(916) 323-9801 or Toll Free 1-800-952-5275
E-mail ol@hcd.ca.gov